

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

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August 12, 2003

FROM: MARK H. UFFER, Director
Arrowhead Regional Medical Center

SUBJECT: AGREEMENT WITH KAISER FOUNDATION HOSPITALS

RECOMMENDATION: Terminate Agreement No. 91-126 with Kaiser Foundation Hospitals, effective September 12, 2003; authorize the Medical Center Director to provide notice of termination.

BACKGROUND INFORMATION: The County Medical Center entered into an agreement with Kaiser Foundation Hospitals on February 25, 1991 for the Medical Center to provide burn services to members of Kaiser Foundation Hospital.

The current agreement between Kaiser and the Medical Center for burn patients requires significant modifications due to changes which have evolved in health care practices and the law during the past decade.

As outlined in Section 17, Term, Termination, Assignment and Construction, Subsection a., of Agreement No. 91-126, the Agreement can be terminated upon 30 days written notice. The Medical Center is requesting the Board of Supervisors' approval to terminate the burn care service agreement with Kaiser Foundation Hospital and to grant authority to the Hospital's Director to provide notice of termination.

REVIEW BY OTHERS: This item has been reviewed by County Counsel (Charles J. Larkin, Deputy County Counsel) on July 24, 2003 and HSS Administration (Carol Hughes, Administrative Analyst) on July 30, 2003.

FINANCIAL IMPACT: Kaiser Foundation Hospital can negotiate a new agreement with the Medical Center that will cover the costs of providing services. If no new agreement is reached, reimbursements to the Medical Center will be at 100% of billed charges for trauma cases when treating Kaiser members.

COST REDUCTION REVIEW: The County Administrative Office has reviewed this agenda item and recommends approval since termination of this agreement imposes no local cost to the County.

SUPERVISORIAL DISTRICT(S): All

PRESENTER: Mark H. Uffer, Director, Arrowhead Regional Medical Center, 580-6150

Record of Action of the Board of Supervisors

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